



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF STATE LANDS AND FORESTRY

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RECEIVED

AUG 31 1992

DIVISION OF  
OIL GAS & MINING

5/047/055

August 28, 1992

Tonka Excavating  
1388 East 4000 South  
Vernal, UT 84078

Gentlemen:

RE: ML 7920--Oil, Gas, and Hydrocarbon

I have reviewed your proposal to mine tar sands in lands under ML 7920. The Division has the following requirements for the proposal.

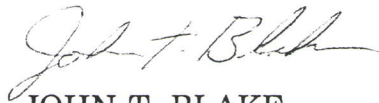
1. Prior to the commencement of any earthwork, a cultural resources survey must be completed of the work site. I am enclosing a list of acceptable cultural resource survey consultants. Please forward all relevant documentation to the Division.
2. Precautions must be taken to prevent erosion of the work site into drainages which are immediately south and east. This may require that emplacement of riprap material or soil retention nets at the head of rills or ravines located near the worksite.
3. The mine pit must be regraded to create a non-impounding surface for water runoff.
4. Not less than one foot depth of topsoil must be placed over all surfaces which are disturbed. This will likely require that topsoil be imported to the site. The redistributed topsoil must be compacted and all disturbed areas must be drill seeded using a mixture of drought resistant shrub and grasses at not less than 20 lbs/ac concentration.
5. A reclamation bond of not less than \$5,000 must be posted in acceptable form with the Division.

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6. All permits and notices required by the Utah Division of Oil, Gas, and Mining must be secured or satisfied prior to the commencement of any operations.
7. Royalties must be timely paid on production in accordance with the lease. Please contact the Division to arrange a conference to discuss valuation of the material to be mined.
8. Commercial operations must commence prior to October 15, 1992, and be sustained annually to maintain this lease.

Please contact me should you have any questions in this matter.

Sincerely yours,



JOHN T. BLAKE  
MINERAL RESOURCES SPECIALIST

JTB/tdw  
Enclosure

cc: Tony Gallegos  
Division of Oil, Gas, and Mining

Mark Lindsay  
The Native Asphalt Company  
University Club Building  
136 East South Temple #1750  
Salt Lake City, UT 84111